

**UNITED STATES DEPARTMENT OF JUSTICE
OFFICE OF THE UNITED STATES TRUSTEE
CENTRAL DISTRICT OF CALIFORNIA**

In re: FRIENDLY VILLAGE MHP,
ASSOCIATES, L.P.,

Debtor(s).

Case No. 8:18-bk-13638-ES

CHAPTER 7

Trustee: Richard Marshack

Operating Report Number: 1
For the Month Ending: 10/31/18

District Office: Santa Ana

**CHAPTER 7 TRUSTEE MONTHLY OPERATING REPORT
PURSUANT TO 11 U.S.C. § 704(a)(8)**

1.

Date of Order(s) to Operate	Duration
<u>Motion pending - set for hearing 11/15/18</u>	<u>Through 1/31/19</u>
<u> </u>	<u> </u>
<u> </u>	<u> </u>
2. Current Bond Amount:
blanket bond - \$15,700,000
3. Nature of Business and reason for operation:
Collecting rents from 182-unit, 18-acre, mobile home park in Long Beach
4. Current efforts to market estate property subject to operation (if applicable):
Trustee must continue operating the mobile home park pending a determination regarding whether the Property can be sold as a going-concern. The Trustee has already met with multiple potential buyers for the Property.
5. Estimated length of operation:
Through 1/31/19
6. Do revenues exceed expenses during the reporting period (*including projected Chapter 7 administrative expenses?*) YES ☒ NO ☐

If no, provide explanation as to why business/property is being operated:

7. Is insurance adequate, current and cover the loss of all assets? YES ☒ NO ☐ N/A ☐

Type of Coverage	Carrier/Agent	Amount of Coverage	Policy Expiration Date	Amount and Date of Last Premium
Environmental	Aspen	\$10,000,000	02/04/2024	paid in full pre-petition
Comm Property	Axis	\$50,000,000	06/30/2019	paid in full pre-petition

8. Other significant activities affecting operation:

9. **Summary of Current Financial Conditions**

Previous cash balance on all accounts: 0

Current cash balance on all accounts at end period: 126,541.19

Type of Account	Depository	Ending Balance	Monthly Disbursement
Checking 5961	Texas Capital Bank	0.00	0.00
Operating 5979	Texas Capital Bank	102,363.22	47,636.78
Rent Deposit 7740	US Bank	24,177.97	0

10. **Receipts and Disbursements**

Total receipts during current period: 174,177.97

Source of receipts: Rents

11. **Specific Disbursements Relating to Operation for Current Period:**

Date	Check Number	Payee	Purpose	Amount
see attached				

12. Are tax obligations current? YES ☐ NO ☐

If no, provide an explanation as to which tax obligations are not current and why.

Unknown at this time

13. Did the estate employ any employees during the reporting period? YES ☐ NO ☒
If yes, state the number of employees and specify whether the estate is current on payroll obligations. If the estate is NOT current on its payroll obligations, provide an explanation.

14. Additional Information attached in support of report? YES ☒ NO ☐

I, Richard Marshack, declare under penalty of perjury that I have fully read and understand the foregoing Chapter 7 Monthly Operating Report and that the information contained here is true and complete to the best of my knowledge.

DATED: November 7, 2018



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FORM 2
ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 18-13638

Trustee Name: Richard A. Marshack (TR)

Case Name: Friendly Village MHP Associates LP

Bank Name: Texas Capital Bank

Account Number/CD#: *****5961 Checking Account

Taxpayer ID No: **-***0971

Blanket bond (per case limit): 5,000,000.00

For Period Ending: 10/31/2018

Separate bond (if applicable): 0.00

1	2	3	4		5	6	7
Transaction Date	Check or [Refer#]	Paid To / Received From	Description of Transaction	Uniform Trans. Code	Deposits(\$)	Disbursements(\$)	Account/ CD Balance(\$)

Case No: 18-13638
Case Name: Friendly Village MHP Associates LP

Trustee Name: Richard A. Marshack (TR)

Bank Name: Texas Capital Bank

Account Number/CD#: *****5979 Operating Account

Taxpayer ID No: **-***0971

Blanket bond (per case limit): 5,000,000.00

For Period Ending: 10/31/2018

Separate bond (if applicable): 0.00

1	2	3	4		5	6	7
Transaction Date	Check or [Refer#]	Paid To / Received From	Description of Transaction	Uniform Trans. Code	Deposits(\$)	Disbursements(\$)	Account/ CD Balance(\$)
10/15/2018		Investors' Property Services Space Rent Deposit Account	Turnover rents collected	1121-000	150,000.00		150,000.00
10/16/2018	52001	Norwalk La Mirada Plumbing Heating Co., Inc. 11661 Firestone Blvd Norwalk, CA 90650	Invoice 281184BOB 10/11/18 Emergency water line repairs	2690-000		15,058.38	134,941.62
10/24/2018	52002	AT&T	Account #139906579 Internet service	2690-000		50.00	134,891.62
10/24/2018	52003	City of Long Beach Utility Customer Service 333 West Ocean Blvd Long Beach, CA 90802-4664	Account # 4436497548; Water/Gas/Sewer LP Friendly Village MHP Associates, 5400 Paramount Blvd 8/24 to 9/25	2690-000		10,460.86	124,430.76
10/24/2018	52004	Republic Services #902 PO Box 78829 Phoenix, AZ 85062-8829	Account # 3-0902-0079807 Past due \$4,039.47 Current \$4,044.02 -	2690-000		8,083.49	116,347.27
10/24/2018	52005	Southern California Edison PO Box 600 Rosemead, CA 91771-0001	Customer Account #2-36-329- 6179 Service Account 3-041-5747- 61; 5400 N Paramount, LB 9/17 to 10/16/18	2690-000		4,942.87	111,404.40
10/24/2018	52006	24 Hour Fire Protection, Inc. 3840 Oceanic Dr., Suite 512 Oceanside, CA 92056	Invoice 3928263	2690-000		457.12	110,947.28
10/24/2018	52007	5 Star Sweeping 330 N. Palm Street, Suite B Brea, CA 9821	Invoice 13505 October sweeping	2690-000		390.00	110,557.28
10/24/2018	52008	Los Angeles County Tax Collector PO Box 54018 Los Angeles, CA 90054-0018	Space 118 - park owned Assessor's ID No.: 8950-623- 118 7/1/18 to 6/30/19	2690-000		155.55	110,401.73
10/24/2018	52009	Investors' Property Services 26020 Acero, Ste 200 Mission Viejo, CA 92691	Reimburse manager, maintenance staff wages	3992-000		1,956.00	108,445.73
10/24/2018	52010	Investors' Property Services 26020 Acero, Ste 200 Mission Viejo, CA 92691	Reimburse out of pocket costs for emergency water leak Invoices 22771, 22772, 22774	3992-000		3,164.86	105,280.87
10/24/2018	52011	Investors' Property Services 26020 Acero, Ste 200 Mission Viejo, CA 92691	Reimburse out of pocket costs for tenant meeting Invoices 22773, 22776	3992-000		731.80	104,549.07

Case No: 18-13638
Case Name: Friendly Village MHP Associates LP

Trustee Name: Richard A. Marshack (TR)

Bank Name: Texas Capital Bank

Account Number/CD#: *****5979 Operating Account

Taxpayer ID No: **-***0971

Blanket bond (per case limit): 5,000,000.00

For Period Ending: 10/31/2018

Separate bond (if applicable): 0.00

1	2	3	4		5	6	7
Transaction Date	Check or [Refer#]	Paid To / Received From	Description of Transaction	Uniform Trans. Code	Deposits(\$)	Disbursements(\$)	Account/ CD Balance(\$)
10/24/2018	52012	Investors' Property Services 26020 Acero, Ste 200 Mission Viejo,CA 92691	Reimburse petty cash Invoice 22775	3992-000		500.00	104,049.07
10/24/2018	52013	IMA, Inc. 1705 17th Street, Suite 100 Denver,CO 80202	Invoice 1177538 - additional premium to add Trustee as named insured Policy ERADWKL14	2690-000		500.00	103,549.07
10/31/2018	52014	Norwalk La Mirada Plumbing Heating Co., Inc. 11661 Firestone Blvd Norwalk,CA 90650	Invoice 284724Mario 10/15/18 Space 14	2690-000		315.00	103,234.07
10/31/2018	52015	Norwalk La Mirada Plumbing Heating Co., Inc. 11661 Firestone Blvd Norwalk,CA 90650	Invoice 284979GABRI Space 52	2690-000		195.00	103,039.07
10/31/2018	52016	ResMan, LLC PO Box 4687 Logan,UT 84323	Invoice RINV-00043187 Monthly software service	2690-000		75.85	102,963.22
10/31/2018	52017	Handyman Mobile Home Service 8903 Hewitt Place #3 Garden Grove,CA 92844	Invoice 10-12-18 Space 162	2690-000		600.00	102,363.22

Page Subtotals 0.00 2,185.85

COLUMN TOTALS	150,000.00	47,636.78
Less: Bank Transfer/CD's	0.00	0.00
SUBTOTALS	150,000.00	47,636.78
Less: Payments to Debtors		0.00
Net	150,000.00	47,636.78

TOTAL-ALL ACCOUNTS

		NET DEPOSITS	NET DISBURSEMENT	ACCOUNT BALANCE
All Accounts Gross Receipts:	150,000.00			
All Accounts Gross Disbursements:	47,636.78			
All Accounts Net:	102,363.22			
	NetTotals	150,000.00	47,636.78	102,363.22



P.O. Box 1800
Saint Paul, Minnesota 55101-0800

8823 TRN 6480 S Y ST01

Account Number:

██████████ 7740

Statement Period:

Oct 11, 2018

through

Oct 31, 2018

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FRIENDLY VILLAGE MHP ASSOCIATES LP
R & K INTERESTS INC
DBA INVESTORS PROPERTY SERVICES AS AGENT
OPERATING TRUST ACCOUNT
26020 ACERO STE 200
MISSION VIEJO CA 92691-6722



To Contact U.S. Bank

Commercial Customer

Service:

1-800-400-4886

U.S. Bank accepts Relay Calls

Internet:

usbank.com

NEWS FOR YOU

Recognize your employees for a job well done with a U.S. Bank Rewards Visa® Card. Easy online ordering at usbankrewardsconnect.com.

INFORMATION YOU SHOULD KNOW

Effective November 12th, 2018 the "Your Deposit Account Agreement" booklet will include a number of updates and may affect your rights. Starting November 12th, to download a copy of the revised booklet, log in to this secure website:

usbank.com/tmtermsandconditions using access code: **terms2018**. You may also call your customer service team at the phone number listed at the top of this statement to obtain a copy. The main updates that were made to "Your Deposit Account Agreement" booklet sections, and sub sections include:

- Under sub section **Consumer Overdraft Protection** - additional language on overdraft protection advancement.
- Under sub section **Business Banking Overdraft Protection** - additional language on overdraft protection advancement.
- Removal of sub section **Returns at Merchants** and the daily limit.
- Update to the hours of operation for the U.S Bank Business Service Center.

Updates to Online and Mobile Financial Services Agreement

Review the changes being made by clicking on the banner on your My Accounts page in Online Banking to learn more.

ANALYZED CHECKING

U.S. Bank National Association

Member FDIC

Account Number ██████████-7740

Account Summary

	# Items		
Beginning Balance on Oct 11		\$	0.00
Customer Deposits	1		170,010.59
Other Deposits	3		4,167.38
Other Withdrawals	1		150,000.00-
Ending Balance on Oct 31, 2018		\$	24,177.97

Customer Deposits

Number	Date	Ref Number	Amount
	Oct 11	8956013586	170,010.59

Total Customer Deposits \$ **170,010.59**

Other Deposits

Date	Description of Transaction	Ref Number	Amount
Oct 11	Proof Correction Credit	8956013587	\$ 1,358.52
Oct 25	Electronic Deposit REF=182980014967510N00	From Friendly Village 9000456377Settlement00██████████	1,394.53
Oct 31	Electronic Deposit REF=183040093772850N00	From Friendly Village 9000456377Settlement000██████████	1,414.33

Total Other Deposits \$ **4,167.38**



Think double-check your transactions and should balance your account every month. Please examine this statement immediately. We will assume that the balance and transactions shown are correct unless you notify us of an error.

Outstanding Deposits

DATE	AMOUNT
TOTAL	\$

Outstanding Withdrawals

DATE	AMOUNT
TOTAL	\$

1. List any deposits that do not appear on your statement in the Outstanding Deposits section at the left. Record the total.
2. Check off in your checkbook register all checks, withdrawals (including Debit Card and ATM) and automatic payments that appear on your statement. Withdrawals that are NOT checked off should be recorded in the Outstanding Withdrawals section at the left. Record the total.
3. Enter the ending balance shown on this statement. \$ _____
4. Enter the total deposits recorded in the Outstanding Deposits section. \$ _____
5. Total lines 3 and 4. \$ _____
6. Enter the total withdrawals recorded in the Outstanding Withdrawals section. \$ _____
7. Subtract line 6 from line 5. This is your balance. \$ _____
8. Enter in your register and subtract from your register balance any checks, withdrawals or other debits (including fees, if any) that appear on your statement but have not been recorded in your register.
9. Enter in your register and add to your register balance any deposits or other credits (including interest, if any) that appear in your statement but have not been recorded in your register.
10. The balance in your register should be the same as the balance shown in #7. If it does not match, review and check all figures used, and check the addition and subtraction in your register. If necessary, review and balance your statement from the previous month.

IMPORTANT DISCLOSURES TO OUR CONSUMER CUSTOMERS**In Case of Errors or Questions About Your Checking, Savings, ATM, Debit Card, ACH, Bill Pay and Other Electronic Transfers**

If you think your statement or receipt is wrong or if you need more information about a transfer on the statement or receipt, we must hear from you no later than 60 days* after we sent you the FIRST statement on which the error or problem appeared. Telephone us at the number listed on the front of this statement or write to us at U.S. Bank P.O. Box 64991 St. Paul, MN 55164-9505.

- Tell us your name and account number.
- Describe the error or the transfer you are unsure about, and explain as clearly as you can why you believe there is an error or why you need more information.
- Tell us the dollar amount of the suspected error.

We will determine whether an error occurred within 10 business days after we hear from you and will correct any error promptly. If we need more time, we may take up to 45 days to investigate your complaint. For errors involving new accounts, point-of-sale, or foreign-initiated transactions, we may take up to 90 days to investigate your complaint. If we decide to do this, we will credit your account within 10 business days for the amount you think is in error, so that you will have the use of the money during the time it takes us to complete our investigation. If we ask you to put your complaint or question in writing and we do not receive it within 10 business days, we may not credit your account.

*Please note: Paper draft and paper check claims must be disputed within 30 days per Your Deposit Account Agreement.

IMPORTANT DISCLOSURES TO OUR BUSINESS CUSTOMERS

Errors related to any transaction on a business account will be governed by any agreement between us and/or all applicable rules and regulations governing such transactions, including the rules of the National Automated Clearing House Association (NACHA Rules) as may be amended from time to time. If you think this statement is wrong, please telephone us at the number listed on the front of this statement immediately.

CONSUMER BILLING RIGHTS SUMMARY REGARDING YOUR RESERVE LINE***What To Do If You Think You Find A Mistake on Your Statement***

If you think there is an error on your statement, write to us at:

U.S. Bank, P.O. Box 3528, Oshkosh, WI 54903-3528.

In your letter, give us the following information:

- **Account information:** Your name and account number.
- **Dollar Amount:** The dollar amount of the suspected error.
- **Description of problem:** If you think there is an error on your bill, describe what you believe is wrong and why you believe it is a mistake.

You must contact us within 60 days after the error appeared on your statement.

You must notify us of any potential errors *in writing*. You may call us, but if you do we are not required to investigate any potential errors and you may have to pay the amount in question.

While we investigate whether or not there has been an error, the following are true:

- We cannot try to collect the amount in question, or report you as delinquent on that amount.
- The charge in question may remain on your statement, and we may continue to charge you interest on that amount. But, if we determine that we made a mistake, you will not have to pay the amount in question or any interest or other fees related to that amount.
- While you do not have to pay the amount in question, you are responsible for the remainder of your balance.
- We can apply any unpaid amount against your credit limit.

Reserve Line Balance Computation Method: To determine your **Balance Subject to Interest Rate**, use the dates and balances provided in the Reserve Line Balance Summary section. The date next to the first Balance Subject to Interest is day one for that balance and is applicable up to (but not including) the date of the next balance (if there is one). We multiply the Balance Subject to Interest by the number of days it is applicable and add them up to get the same number of days in the billing cycle. We then divide the result by the number of billing days in the cycle. This is your **Balance Subject to Interest Rate**. Any unpaid interest charges and unpaid fees are not included in the Balance Subject to Interest. The ***INTEREST CHARGE*** begins from the date of each advance.

REPORTS TO AND FROM CREDIT BUREAUS FOR RESERVE LINES

We may report information about your account to credit bureaus. Late payments, missed payments or other defaults on your account may be reflected in your credit report.

CONSUMER REPORT DISPUTES

We may report information about negative account activity on consumer and small business deposit accounts and consumer reserve lines to Consumer Reporting Agencies (CRA). As a result, this may prevent you from obtaining services at other financial institutions. If you believe we have inaccurately reported information to a CRA, you may submit a dispute by calling 844.624.8230 or by writing to: U.S. Bank Attn: CRA Management, P.O. Box 3447, Oshkosh, WI 54903-3447. In order for us to assist you with your dispute, you must provide: your name, address and phone number; the account number; the specific information you are disputing; the explanation of why it is incorrect; and any supporting documentation (e.g., affidavit of identity theft), if applicable.



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FRIENDLY VILLAGE MHP ASSOCIATES LP
R & K INTERESTS INC
DBA INVESTORS PROPERTY SERVICES AS AGENT
OPERATING TRUST ACCOUNT
26020 ACERO STE 200
MISSION VIEJO CA 92691-6722

Business Statement

Account Number:

7740

Statement Period:

Oct 11, 2018

through

Oct 31, 2018



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ANALYZED CHECKING**(CONTINUED)**

U.S. Bank National Association

Account Number 1-575-2108-7740

Other Withdrawals

<i>Date</i>	<i>Description of Transaction</i>	<i>Ref Number</i>	<i>Amount</i>
Oct 15	Wire Debit REF004582 BNF=RICHARD MARSHACK,	TEXAS CAP DALLAS 181015050065 TRUSTEE FOR THE BANKRUPTC	\$ 150,000.00-
Total Other Withdrawals			\$ 150,000.00-

Balance Summary

<i>Date</i>	<i>Ending Balance</i>	<i>Date</i>	<i>Ending Balance</i>	<i>Date</i>	<i>Ending Balance</i>
Oct 11	171,369.11	Oct 25	22,763.64	Oct 31	24,177.97
Oct 15	21,369.11				

Balances only appear for days reflecting change.



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PROOF OF SERVICE OF DOCUMENT

I am over the age of 18 and not a party to this bankruptcy case or adversary proceeding. My business address is:
870 Roosevelt, Irvine, CA 92620

A true and correct copy of the foregoing document entitled (specify): **CHAPTER 7 TRUSTEE'S MONTHLY OPERATING REPORT** will be served or was served (a) on the judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in the manner stated below:

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF):** Pursuant to controlling General Orders and LBR, the foregoing document will be served by the court via NEF and hyperlink to the document. On **November 7, 2018**, I checked the CM/ECF docket for this bankruptcy case or adversary proceeding and determined that the following persons are on the Electronic Mail Notice List to receive NEF transmission at the email addresses stated below:

☒ Service information continued on attached page

2. **SERVED BY UNITED STATES MAIL:**

On **November 7, 2018**, I served the following persons and/or entities at the last known addresses in this bankruptcy case or adversary proceeding by placing a true and correct copy thereof in a sealed envelope in the United States mail, first class, postage prepaid, and addressed as follows. Listing the judge here constitutes a declaration that mailing to the judge will be completed no later than 24 hours after the document is filed.

FRIENDLY VILLAGE MHP ASSOCIATES LP
320 NORTH PARK VISTA STREET
ATTENTION : OFFICE
ANAHEIM, CA 92806-3722

☐ Service information continued on attached page

3. **SERVED BY PERSONAL DELIVERY, OVERNIGHT MAIL, FACSIMILE TRANSMISSION OR EMAIL** (state method for each person or entity served): Pursuant to F.R.Civ.P. 5 and/or controlling LBR, on **November 7, 2018**, I served the following persons and/or entities by personal delivery, overnight mail service, or (for those who consented in writing to such service method), by facsimile transmission and/or email as follows. Listing the judge here constitutes a declaration that personal delivery on, or overnight mail to, the judge will be completed no later than 24 hours after the document is filed.

COURTESY COPIES VIA EMAIL

Robert Warren
Investors' Property Services
Robert.warren@investorshq.com

☐ Service information continued on attached page

I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

November 7, 2018 Pamela Kraus
Date Printed Name

/s/ Pamela Kraus
Signature

1. **TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF): continued:**

- Howard Camhi hcamhi@ecjlaw.com, tcastelli@ecjlaw.com;amatsuoka@ecjlaw.com
- Ben G Gage bgage@cookseylaw.com, sith@ecf.courtdrive.com
- D Edward Hays ehays@marshackhays.com, 8649808420@filings.docketbird.com
- Jeffrey S Kaufman JSKaufman@wolfewyman.com, hlforeman@wolfewyman.com,kabeall@wolfewyman.com
- Paul J Laurin plaurin@btlaw.com, slmoore@btlaw.com;jboustani@btlaw.com
- Richard A Marshack (TR) pkraus@marshackhays.com, rmarshack@iq7technology.com
- Kristine A Thagard kthagard@marshackhays.com, 8649808420@filings.docketbird.com
- United States Trustee (SA) ustpreion16.sa.ecf@usdoj.gov
- David Wood dwood@marshackhays.com, 8649808420@filings.docketbird.com